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Report Highlights:

The Canadian Pork Council Responds to National Pork Producers Council Statement*
Canadian Wheat Board to Appeal Ruling Which Restores Federal Government Control
*** Smartstax Corn Receives Canadian Regulatory Authorization**

General Information:

THE CANADIAN PORK COUNCIL RESPONDS TO NATIONAL PORK PRODUCERS COUNCIL

STATEMENT: The Canadian Pork Council (CPC) has responded to a July 17, 2009, press release issued by the National Pork Producers Council (NPPC), United States pork producers lobby organization. The NPPC press released warns that an emergency government program for the Canadian pork industry being proposed by the Canadian Pork Council (CPC) is in fact a subsidy program that would have a "lethal impact" on U.S. pork producers. The NPPC statement claims that such a program would artificially prop up Canadian pork production with the effect of lowering U.S. live hog prices by 7% than would otherwise be the case. In its response, the Canadian Pork Council, which serves as the national voice for Canadian hog producers, describes the NPPC's statement as galling and points to expanded U.S. Country of Origin Labelling (COOL) rules as a significant factor that is artificially depressing Canadian hog prices. "Fully 36% fewer hogs have been exported to the United States compared to last." The CPC statement expresses disappointment with the NPPC's accusation that the Canadian hog industry is not doing enough to adjust to market signals and argues that the "Canadian sow herd has declined 6% this year compared to last and nearly 12% since 2007. The U.S. breeding herd has decreased by less than 4% over the past two years, or only a third of the cut experienced in Canada." Meanwhile the Canadian Minister of Agriculture has expressed understanding of the challenges facing the pork industry but no decisions on if

or how to assist have been announced. The NPPC's and the CPC's press releases can be found at the following web addresses: [NPPC](#), [CPC](#). More on the emergency program being proposed by the CPC can be found in [This Week in Canadian Agriculture, Issue 22](#).

CANADIAN WHEAT BOARD TO APPEAL RULING WHICH RESTORES FEDERAL GOVERNMENT

CONTROL: A June 23, 2009, Federal Court of Appeal decision overturned a June 2008 lower court ruling and says that the federal government has broad powers to direct the activities of the Canadian Wheat Board (CWB). The CWB has announced its intention to seek permission to appeal this ruling with the Supreme Court of Canada by September 22, 2009. The conflict between the federal government and the CWB stems from a federal government order-in-council given in 2006 that prevented the CWB from spending money for the purposes of advocating for the CWB's single desk structure. The federal order-in-council was issued at a time when a producer plebiscite over whether or not the CWB should retain its single desk authority over barley was underway. The CWB filed for a judicial review of the government's directive in December 2006 and the order was overturned in June 2008. This decision was then appealed in Federal Court by the federal government. The Federal Court decision rendered on June 23, 2009 relied on a strict interpretation of section 18(1) of the 1998 Canadian Wheat Board Act. The Canadian Wheat Board Act was amended in 1998 by a then-Liberal federal government to allow for the establishment of a producer-elected board of directors. At that time, section 18(1) was left in place that, according to this newest ruling, clearly gives the federal government the ultimate power to decide in cases of a disagreement with the board of directors. *(Comment: This is part of the ongoing feud between the Canadian Wheat Board and the Conservative Canadian Government who would like to dismantle the single desk status of the CWB. If the Supreme Court agrees to hear the case, the question of who has ultimate control of the CWB – the federal government or the prairie farmers-will be definitively answered. The Liberal Party of Canada, which currently forms the official opposition, has promised to rewrite the CWB Act to make it clear that prairie farmers and not the government are in control, should they win the next federal election.)*

SMARTSTAX CORN RECIEVES CANADIAN REGULATORY AUTHORIZATION: On July 20, 2009, Monsanto and Dow AgroSciences issued a joint news release announcing that SmartStax™ Corn, a novel seed that combines eight different herbicide and insect protection genes, has completed United States (Environmental Protection Agency, EPA) and Canadian (Canadian Food Inspection Agency, CFIA) regulatory authorizations. This novel seed is the result of a cross-licensing agreement between Monsanto and Dow AgroSciences. The joint-press release issued by the companies' states that the new corn technology is expected to be offered to farmers on 3 million to 4 million plus acres in the first year of availability. The statement on the CFIA website states that the CFIA has evaluated the potential impact on and the risk to the environment of using a 5 per cent non-Bt-refuge strategy for this product as minimal and has issued a conditional authorization until December 31, 2012. Each of the eight traits has been individually approved by the CFIA. This announcement has been met with criticism from some groups in Canada. The Canadian Biotechnology Action Network (CBAN) has been very critical of the fact that Health Canada has not done a study of the potential health impact of the eight-trait corn stating that there might be unintended consequences when the traits are combined. The statements released by Monsanto and Dow AgroSciences, by CFIA, and by CBAN are available on the following websites: Monsanto and Dow, CFIA, CBAN.